REGISTERED No. M. 4631.

KERALA GAZETTE

EXTRAORDINARY

PUBLISHED BY AUTHORITY

Vol. V] Trivandrum, Monday, 31st October 1960 / 9th Kartika 1882. [No. 110.

NOTIFICATION

No. 4105|LA.-4|60.

The following Bill together with the Statement of Objects and Reasons and the Financial Memorandum attached to it, is published, as ordered by the Speaker under Rule 73 of the Rules of Procedure and Conduct of Business in the Assembly,

D. TIRUMALAI IYENGAR,
Secretary,
Legislative Assembly.

Legislature Secretariat,
Trivandrum, 31st October 1960.

PRINTED AND PUBLISHED BY THE S. G. P. AT THE GOVERNMENT PRESS, TRIVANDRUM, 1960.

THE KERALA LAND IMPROVEMENT AND AGRICULTURAL LOANS BILL, 1960

A

BILL

to consolidate and amend the laws relating to loans of money by the Government for land and agricultural improvements in the State of Kerala.

Preamble.—WHEREAS it is expedient to consolidate and amend the laws relating to loans of money by the Government for land and agricultural improvements in the State of Kerala;

BE it enacted in the Eleventh Year of the Republic of India as follows:—

1. *Short title, extent and commencement.*—(1) This Act may be called the Kerala Land Improvement and Agricultural Loans Act, 1960.

(2) It extends to the whole of the State of Kerala.

(3) It shall come into force on such date as the Government may, by notification in the Gazette, appoint.

2. *Definitions.*—In this Act, unless the context otherwise requires,—

(a) "Collector" means the Collector of the district or any officer empowered by the Government by name or by virtue of his office to discharge the functions of a Collector under this Act;

(b) "improvement" means any work which adds to the letting value of the land, and includes the following, namely:—

(i) the construction of wells, tanks and other works for the storage, supply or distribution of water for the purposes of agriculture or for the use of men and cattle employed in agriculture;

(ii) the preparation of land for irrigation;

(iii) the drainage, reclamation from rivers or other waters, or protection from floods or from erosion or other damage by water, of land used for agricultural purposes or land which is cultivable;

(iv) the reclamation, clearance, enclosure or permanent improvement of land for agricultural purposes;

(v) the renewal or reconstruction of any of the foregoing works, or alterations therein or additions thereto:

(vi) the planting or rearing of such kinds of plants and crops as may be notified in the Gazette by the Government; and

(vii) such other works as the Government may, from time to time, by notification in the Gazette, declare to be improvements for the purposes of this Act.

3. *Purposes for which loans may be granted under this Act.*—Subject to such rules as may be made under section **10**, loans may be granted under this Act, by Government or such officer or authority as may, from time to time, be empowered in this behalf by the Government—

(a) for the purpose of making any improvement, to any person having a right to make the improvement, or with the consent of that person, to any other person; and

(b) for the relief of distress, purchase of seed, cattle, manure or agricultural implements or for any other purpose connected with agricultural objects, to owners and occupiers of arable land.

4. *Mode of dealing with application for loans.*—(1) When an application for a loan is made under this Act, the authority to whom the application is made may, if it is in the opinion of the authority expedient that public notice be given of the application, publish a notice, in such manner as may be prescribed, calling upon all persons objecting to the loan to appear before the authority at a time and place fixed therein and submit their objections.

(2) The authority shall consider every objection submitted under sub-section (1), and make an order in writing either admitting or over-ruling it:

Provided that, when the question raised by an objection is, in the opinion of the authority, one of such a nature that it cannot be satisfactorily decided except by a civil court, the authority shall postpone the proceedings on the application until the question has been so decided.

5. *Period of re-payment of loans.*—(1) Every loan granted under this Act shall be made repayable in such manner and at such time as the Government may prescribe or by instalments, in the form of an annuity or otherwise, within such period from the date of the actual advance of the loan, or, when the loan is advanced in instalments, from the date of the advance of the last instalment actually paid, as may, from time to time, be fixed by rules made under this Act.

(2) The period fixed as aforesaid shall not ordinarily exceed thirty-five years.

(3) The Government, in making the rules fixing the period shall, in considering whether the period should extend to thirty-five years, or whether it should extend beyond thirty-five years, have regard to the durability of the work for the purpose of

which the loan is granted, and to the expediency of the cost of the work being paid by the generation of persons who will immediately benefit by the work.

6. *Subsequent encumbrances void against Government.*—All encumbrances created on the land offered as security for the loan, after the date of the order granting the loan, shall be void as against all claims enforceable by the Government in respect of such loan.

7. *Recovery of loans.*—(1) Subject to such rules as may be made under section 10, all loans granted under this Act, all interest, if any, chargeable thereon and costs, if any, incurred in making and recovering the same, shall, when they become due, be recoverable by the Collector in all or any of the following modes, namely:—

(a) from the borrower—as if they were arrears of land revenue due by him;

(b) from his surety if any—as if they were arrears of land revenue due by him;

(c) out of the land for the benefit of which the loan has been granted—as if they were arrears of land revenue due in respect of that land;

(d) out of the property comprised in the collateral security, if any—according to the procedure for the realisation of land revenue by the sale of immovable property other than the land on which that revenue is due.

(2) All sales of land under clause (c) of sub-section (1) shall be free of all encumbrances created on the land subsequent to the date of the order granting the loan.

(3) When any sum due on account of any such loan, interest or costs is paid to the Collector by a surety or an owner of property comprised in any collateral security, or is recovered under sub-section (1) by the Collector from a surety or out of any such property, the Collector shall, on the application of the surety or the owner of that property, as the case may be, recover that sum on his behalf from the borrower, or out of the land for the benefit of which the loan has been granted, in the manner provided by sub-section (1).

(4) It shall be in the discretion of the Collector acting under this section to determine the order in which he will resort to the various modes of recovery permitted by it.

8. *Order granting loan conclusive on certain points.*—A written order under the hand of an authority empowered to make loans under this Act granting a loan to, or with the consent of, a person mentioned therein, for the purpose of carrying out a work described therein, for the benefit of land specified

therein, shall, for the purposes of this Act, be conclusive evidence—

(a) that the work described is an improvement within the meaning of this Act;

(b) that the person mentioned had at the date of the order a right to make such an improvement;

(c) that the improvement is one benefiting the land specified; and

(d) that the purpose is one connected with an agricultural object.

9. *Liability of Joint borrowers as among themselves.*—When a loan is made under this Act to the members of a village community or to any other persons on such terms that all of them are jointly and severally bound to the Government for the payment of the whole amount payable in respect thereof, and a statement showing the portion of that amount which as among themselves each is bound to contribute is entered upon the order granting the loan and is signed by each of them and by the authority making the order, that statement shall be conclusive evidence of the portion of that amount which as among themselves each of those persons is bound to contribute.

10. *Power to make rules.*—(1) The Government may, from time to time, by notification in the Gazette, make rules for carrying out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the manner of making applications for loans;

(b) the officers or authorities by whom loans may be granted;

(c) the manner of conducting inquiries relating to applications for loans, and the powers to be exercised by officers conducting those inquiries;

(d) the nature of the security to be taken for the due application and repayment of the money, the rate of interest at which, and the conditions under which, loans may be granted, and the manner and time of granting loans;

(e) the inspection of works for which loans have been granted;

(f) the instalments by which, and the mode in which loans, the interest to be charged on them and the costs incurred in the making thereof, shall be paid;

(g) the manner of keeping and auditing the accounts of the expenditure of loans and of the payments made in respect of the same; and

(h) all other matters pertaining to the working of this Act.

(3) All rules under this Act shall be laid for not less than fourteen days before the Legislative Assembly as soon as possible after they are made and shall be subject to such modifications, whether by way of repeal or amendment, as the Legislative Assembly may make during the session in which they are so laid or the session immediately following.

11. *Certain powers of Government to be exercisable by the Board of Revenue.*—The powers conferred on the Government by sections 3, 4(1) and 10 may be exercised in the like manner and subject to the like conditions by the Board of Revenue:

Provided that the rules made by the Board of Revenue shall be subject to the previous approval of the Government.

12. *Repeal.*—(1) The Land Improvement Loans Act, 1883 (Central Act 19 of 1883) and the Agriculturists Loans Act, 1884 (Central Act 12 of 1884) in their application to the areas "Malabar district" referred to in sub-section (2) of Section 5 of the States Reorganisation Act, 1956, the Land Improvement and Agricultural Loans Act (Travancore Act IX of 1094) and the Cochin Agricultural Improvement Loans Act, IV of 1093, are hereby repealed.

(2) Notwithstanding such repeal, advances made before the commencement of this Act and costs incurred by the Government in respect of such advances shall be recovered as if the said Acts had not been repealed by this Act.

STATEMENT OF OBJECTS AND REASONS

The laws relating to loans of money by the Government for the purpose of land and agricultural improvements in force in the Travancore-Cochin area of the State are the Land Improvements and Agricultural Loans Act (Travancore Act IX of 1094) and the Cochin Agricultural Improvements Loans Act, IV of 1096. The corresponding Acts in force in the Malabar area of the State are the Land Improvement Loans Act, 1883 (Central Act 19 of 1883) and the Agricultural Loans Act, 1884 (Central Act 12 of 1884). It is considered necessary to have a uniform law on the subject applicable to the whole of the State. The Bill is intended to achieve this object.

FINANCIAL MEMORANDUM

The Bill provides for the grant of loans by Government to agriculturists for the purpose of land improvement and for agriculture. In the current budget there is a provision of Rs. 10 (ten) lakhs for this purpose.

Every year, similar provision is made in the budget for the grant of loans to agriculturists. According to the existing rules under the old Acts in force in the Travancore-Cochin and Malabar areas a rate of 5% interest is charged on such loans. The loans are repayable with interest in instalments and the instalments are recovered on the due dates by the Tahsildars, coercive steps being taken against defaulters wherever necessary.

No additional expenditure will be caused by the passing of this Bill. Agricultural loans are already being granted in the State under the Acts in force in the respective areas. The work in connection with the grant of loans as well as the recovery of instalments of repayments is being attended to even now by the Revenue staff in the State. But Special Revenue staff may have to be employed according to actual necessity in certain taluks where there is a plethora of loan applications and the cost of the staff will vary from year to year. However the actual expenditure that may have to be incurred for such special staff cannot now be correctly estimated.

K. CHANDRASEKHARAN.

REGISTERED No. M. 4631.

KERALA GAZETTE

EXTRAORDINARY

PUBLISHED BY AUTHORITY

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NOTIFICATION

No. 4114|LA. 7|60.

The following Bill together with the Statement of Objects and Reasons is published, as ordered by the Speaker under Rule 73 of the Rules of Procedure and Conduct of Business in the Assembly.

D. TIRUMALAI IYENGAR,
Secretary,
Legislative Assembly.

Legislature Secretariat,
Trivandrum, 31st October, 1960.

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L. A. Bill No. 53 of 1960.

THE MALABAR TENANCY (AMENDMENT) BILL, 1960

A

BILL

to amend the Malabar Tenancy Act, 1929.

Preamble.—WHEREAS it is necessary to amend the Malabar Tenancy Act (Madras Act XIV of 1930) for the purpose hereinafter appearing;

BE it enacted in the Eleventh Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Malabar Tenancy (Amendment) Act, 1960;

(2) It shall come into force at once.

2. *Amendment of section 50.*—In section 50 of the Malabar Tenancy Act, 1929—

(1) After sub-section (1), the following sub-section shall be inserted, namely:—

"(1A) The Collector may revise the average market price of any crop published under sub-section (1) if he is satisfied that such revision is necessary on the ground of new evidence or objection which were not made available for consideration by him at the time of the publication of the average market price, or on account of some mistake or error apparent on the face of the record or for any other sufficient reason. The average market price so revised shall be published in the District Gazette:

Provided that before revising the average market price, the Collector shall cause notice to be given to the public, in such manner as he thinks fit, of the revision proposed to be made and consider objections, if any, received within the time fixed therefor in the notice.";

(2) In sub-section (2), the words "or where such market price has been revised under sub-section (1A), at the market price as so revised" shall be inserted at the end.

STATEMENT OF OBJECTS AND REASONS

Under sub-section (1) of section 50 of the Malabar Tenancy Act, 1929, the Collector of the District shall publish in the months of January, April, July and October, every year, in the District Gazette the average market price during the immediately preceding three months at the headquarters of each taluk, of paddy, cocoanut, arecanut, pepper, groundnut and of every crop which may be notified by the State Government as a commercial crop under sub-section (3) of section 10. Even though the Collectors adhere to the provisions of this section in notifying the price, Government have received several complaints that the price so notified for certain taluks in the Malabar area is far in ex[illegible] prevailing average market price. Government, therefore, consider that the Collectors should be enabled to modify the average market price notified by them under the above section, if they are satisfied that in view of any particular circumstance which did not come to their notice originally such a change is necessary. The proposed amendment seeks to give effect to this decision.

K. CHANDRASEKHARAN